LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **AUGUST 15**, **2006**, upon the application of **CHESAPEAKE OPERATING**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Lower Cotton Valley Formation, Reservoir A; the Cotton Valley "D" Zone; and the Hosston (Travis Peak) Zone, in the Sligo Field, Bossier Parish, Louisiana.

- 1. To permit Applicant to drill, designate and utilize three (3) additional alternate unit wells for HOSS TP SUB, seven (7) additional alternate unit wells for HOSS TP SUC and two (2) additional alternate unit wells for HOSS TP SUD, at the locations shown on the plats submitted with the application.
- 2. To permit Applicant to drill, designate and utilize three (3) additional alternate unit wells for CV D SUH, seven (7) additional alternate unit wells for CV D SUI and two (2) additional alternate unit wells for CV D SUJ, at the locations shown on the plats submitted with the application.
- 3. To permit Applicant to drill, designate and utilize three (3) additional alternate unit wells for LCV RA SUT, seven (7) additional alternate unit wells for LCV RA SUU and two (2) additional alternate unit wells for LCV RA SUV, at the locations shown on the plats submitted with the application.
- 4. To approve exceptions to the spacing provisions of Office of Conservation Order No. 8-B, effective September 1, 1956 and Office of Conservation Order No. 8-K, effective October 16, 1990, for any of the proposed wells the location of which, as shown on the plats submitted with the application, does not comply with the spacing provisions in said Orders.
- 5. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the hydrocarbons underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
- 6. To consider such other matters as may be pertinent.

The Lower Cotton Valley Formation, Reservoir A, was redefined in Office of Conservation Order No. 8-K-3, effective April 9, 1998, as to the units LCV RA SUT, LCV RA SUU and LCV RA SUV.

The Cotton Valley "D" Zone and the Hosston (Travis Peak) Zone, were defined in Office of Conservation Order No. 8-B, effective September 1, 1956.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 7/20/06;7/25/06 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.